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# Remarks by Vice President Joe Biden at the U.S.-Mexico High Level Economic Dialogue

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## REMARKS BY VICE PRESIDENT JOE BIDEN AT THE U.S.-MEXICO HIGH LEVEL ECONOMIC DIALOGUE<sup>1</sup>

**T**HE VICE PRESIDENT: Well, Mr. Minister, Foreign Minister, Finance Minister, thank you very, very much. It's a delight to be back in Mexico. I've been in public life for a long time, as you can tell. And my first visits to Mexico occurred in the early '70s, as a young Senator. And as you were both speaking, I was thinking about the significant contrast with the meeting we're having today, and all the meetings I have had in the '70s and the '80s and the '90s. Almost all of them were uni-dimensional; they were always about a single subject—mostly, about security issues, mostly about drugs, mostly about immigration. But finally, finally, we have reached the point where we should have reached a long time ago, I think. It began—beginning with NAFTA 20-some years—20 years ago, where we're looking at the relationship as partners in a wholesome—way—and I mean that in a literal sense—all of the relationship: the cultural, political, economic, security, as mature partners do. And on behalf of the President, I am delighted to be here.

President Peña Nieto, who I've gotten to know—I don't want to exaggerate it, but gotten to know a little bit—I have personal admiration for him. And I think, as the Foreign Minister said—I think it was the Foreign Minister who said, that your President said that there's no reason why North America cannot be the most dynamic area in the world. We share that view, right to the marrow of our bones.

As a matter of fact, the President asked me at the beginning of this new administration, to take an even broader look and to look at the hemisphere. For the first time in all of our lives, looking at the entire Western Hemisphere, it is possible to envision a hemisphere that is middle class, democratic and secure. It's not there yet, but it is possible to envision that. From Canada to the tip of Argentina, there is no reason why in the twenty-first century the hemisphere will not be the most potent economic engine in the world.

But that won't happen without Mexico, and that won't happen without this North American engine gaining more power, more steam and more capacity.

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1. Vice President Joe Biden, Remarks by Vice President Joe Biden at the U.S.-Mexico High Level Economic Dialogue (Sept. 20, 2013) (transcript *available at* <http://www.whitehouse.gov/the-press-office/2013/09/20/remarks-vice-president-joe-biden-us-mexico-high-level-economic-dialogue>).

I want to begin by recognizing the incredible work of your excellent delegation. A lot of work has gone into this meeting. And I want to thank all of you on my team who have made the journey here with me. As a matter of fact, I was worried there weren't going to be enough seats on the plane, so many people wanted to come. You think I'm kidding; I am not kidding. Every Cabinet member wanted to participate in this, because they see the potential.

I always joke at home when they say, define America for me, meaning the United States. And I say it's about one thing: It's about promise. It's about the future. It's always looking at the future. You're in the same position. You can see it. You can almost taste it, can't you? A new day, a new time coming forward—not because of the United States, but from Mexico.

And so I've come at a moment when I have personally, at the request of the President, been focused heavily on the Middle East and on Syria and the events that are taking place in the region. But the President made it clear to me, and it was like, as they say, pushing on an open door, that no matter what was occupying us immediately, that it was important to be here. So I want to make it clear to you that President Obama is deeply invested in the maturation of this relationship at every level—at every level. This is a different day. This is a different day.

And so I wanted to be here with you because my country's foreign policy is about more than dealing with threats, as we are dealing with in the Middle East. It's also about partnerships—partnerships that we believe, the President and I, are literally going to shape the future for my country for the next 10, 20, 30, 40 years. And there is no reason—there is absolutely no reason in my view—some of you know I've held this view for some time, but I think everyone thinks it now—there is no reason why our partnership, the U.S.-Mexico partnership, should not be among the strongest that we have. We are grounded in a common border, a common culture, common values, common dreams and common potential.

So it's truly my honor to be here as part of this first-ever U.S.-Mexico High Level Economic Dialogue. As I said, it's nice to be talking about things beyond the narrow things we've focused on talking about the past twenty years, although we have talked about the economy. This is a different time.

It's been nearly two decades since the United States and Mexico tore down the barriers between our economies, and since then, as has been pointed out, there has been—we have quadrupled our rate of exchange—as your Minister of the Treasury said, a million dollars per minute, a billion dollars a day. There is no question our economic partnership has been a success. But there is also no question that there's much, much, much, much more potential. And I would add, there's also no question lest we seize the opportunity, it may pass us by because the world is moving rapidly.

The rise of the Mexican middle class, more than forty million, has not only bettered the lives of the Mexican people but it has created incredible opportunities inside of Mexico and outside of Mexico. A generation ago, there weren't as many customers, investors, trading partners. This has a synergy, as you mentioned, of its own. As the living standard, as wages increase here, the whole world benefits. We benefit. We used to think in terms of zero-sum games around the world: If that country's GDP rises and ours—it's a different time.

A strong, integrated North American economy, grounded on the respect and twenty-first-century rules of the road, is going to attract investment and make us both better in the global economy. You've already seen it. What do you see happening? Manufacturing is coming back to North America. It's coming back after having left us, then left you, and headed to China, and headed for the Far East. It's coming back. Why? Why? Because of the incredible potential. Also because we have a system that makes it more sustainable for folks to be here than there. It's created jobs from Puebla to Pittsburgh. And I mean that literally. It's not just the major cities. This global economy is changing fast and we need to keep up.

And I know it's a delicate subject, but NAFTA set a new standard for global trade, but that was twenty years ago—twenty years ago. We all know the twenty-first century demands even higher standards to meet the full potential of world trade. Countries around the world are already adapting, already moving, opening industries that have been closed in order to strengthen competition and bring better delivery to their own citizens; removing barriers that function as disguised trade barriers in order to generate their own indigenous growth; working to increase economic transparency to root out corruption and improve business confidence; expanding protections for the environment and labor and intellectual property.

I hope we're beyond those arguments about whether or not the environment matters, whether minimum standards are important. I think we are, at least most of the world is. And that's what it takes to compete. In the new global economy that's emerging, the price of admission to participate is to play by these new rules. And we each make our own national judgment about what is necessary to realize the economic potential of our own countries.

I'm supposedly a foreign policy expert, but I speak very plainly. It's a real simple thing: I never ask another man or woman to act against their own interest; I never tell another country what's in their interest. I determine what's in my country's interest and try to identify where there's a mutual interest. So it's Mexico's decision and every country's decision how they adapt, if they adapt, to these new rules.

But we're here because both our presidents and I agree that it's fundamentally in our mutual interest to broaden and deepen our economic relationship. And that means we cannot settle for business as usual. And

so at President Obama's direction, every federal agency here today has taken part in a thorough preparation so that we could begin to get down to the details. What are the impediments? What is the sand in the gears to keep this from working better? We all know there is sand in the gears. We also know any change affects stakeholders, not all the same way. Change is hard. But we have to be ready to deliver results if we're going to move to this next phase.

I know your side has done the same exact thing. Together we have a chance to make progress on modernizing our border, linking our aviation sectors, increasing economic transparency. If you have been in a space capsule, sent to Mars and been away for the last fifty years, and you're coming back and they're bringing you up to date on everything on a big screen of what's happened in the recent past, and where you are, and you take a look at the United States, Mexico and Canada, you'd sit there and say, "Why? Why isn't there even more cooperation? It's just so natural geographically, politically, economically.

Our ability to do what we have to do is going to tell us an awful lot about the broader partnership that I think both our countries seek. So let me talk briefly about some of the work ahead, and I'll be brief.

First, we need to make it more efficient for goods, people, and information to move across our borders. Security is important, but we have to have as the goal the ability to move faster and more goods, people, and information across our borders, while improving security as is pointed out. Our border is the site of more than—as I said as pointed out a billion dollars a day in trade. But is there any reason why—is there any one of you businessmen or women in here can't rationally picture ten years from now that being \$2 billion? But it won't if we don't make some of the changes that are going to be difficult.

On our side that's going to require extending, for example—to move more rapidly across the border extending business hours at border crossings, basic simple things. For Mexico it's going to demand greater effort to connect our roads, our rails, and our infrastructure. It just makes no sense that we don't. Both of us can do more to modernize investment through a stronger North American Development Bank.

And beyond our border, with a simple agreement, we can make it more affordable to fly between every single city and every single town in your state—I mean in your country and my country. Why is that so difficult?

Second, there are steps where each of us can take to drive growth and innovation on both sides of the border. We are convinced that innovation flourishes where people can breathe free air as they do in Mexico and America, where they have a court system that's free of corruption and adjudicates disputes fairly, where intellectual property is protected. That's the new minimum standard. You businessmen and women know what's going to happen is the free enterprise system is going to drive business to those locales where that prevails. It's just basic.

And by the way, it's in the overall self-interest of a country to establish that, otherwise indigenous innovation is not likely to prosper. That's why—that's the way you create homegrown, innovative capacity. But we also know innovation can't flourish in the absence of education.

Both our Presidents are passionate about this issue, and apparently some of your citizens are passionate about this issue. I thought they all gathered to welcome me to Mexico City. I was quite frankly somewhat disappointed when I found out that fifteen or so thousand people weren't there hollering "Biden, Biden." But all kidding aside, it stirs passions as you well know.

But both our systems need improving. And I'm not here to lecture you. I'm not here to say, well, the United States system is one you should—we have a lot of improvement ourselves to make. My wife is I think—maybe not—I think the first time the first Second Lady or First Lady to teach full time. She teaches fifteen credits, and she has for years, at a community college in Northern Virginia. She has a great expression. She says, "Any country, Joe, that out-educates us will out-compete us."

The new currency is cognitive capability. That's the new currency. We are told and we know six out of ten jobs in the next ten years in America will require something beyond a high school education—six out of ten. We have 600,000 high-tech manufacturing jobs going unfilled in America today because of the lack of a skilled workforce on the specific needs that exist whether it's—whatever it is. And we've figured out a way to adapt our community colleges. It's cheaper. It's more expedient. And it's the single, best-kept secret in America. We'd like to share it with you if you're interested. I mean it sincerely.

Every country I go to it's the same for Mexico as the United States, we in the United States don't, as I said, have all the answers. But we do—and this is somewhat chauvinistic and I apologize for it, but you're used to chauvinistic Americans. But I think most of the world would acknowledge only one thing about our education system. We have the finest university system in the world. And you have too many, but you have—UNAM and Monterrey Tech are as good as Harvard or University of Pennsylvania or Yale. But one of the things we all try to do as economic growth focused on, and particularly as we're building middle class is countries tend to say, let's go out and build more Monterrey Techs or more Universities of Pennsylvania. That takes decades. That takes decades. And not everyone will qualify.

There's a vast majority of capable people out there who in this new high-tech economy can be given all the tools for less investment and more focus in our view. But that's for you to decide.

The fastest way to prepare a citizen for a job of the twenty-first century in our experience is through the community college system. And as I said, we have some unique experience in this.

We also want to welcome, as was pointed out, more Mexican students to the United States and more United States students to Mexico. That's

why we committed to doubling the number of students by 2020, doubling the number of U.S. students—doubling it both ways through our 100,000 Strong Initiative. You all know it matters. Some of you were educated in the United States. Some Americans, not as many, educated here in Mexico. It has a—it creates a sinew, a tissue that goes beyond just the education in terms of understanding one another as well.

We look forward to launching this Bilateral Forum on Education to get much more done together. And we have much to learn from you as well.

Domestically, the President and I, when we announced our candidacy back in 2008, were very straightforward. We think the measure of our success and the measure of the growth and the strength of the American economy will rest upon on whether or not the middle class is once again growing.

We're proud to say we have—major industrialized—has the largest middle class in the world. That is the heart, strength, and backbone of our country. So we have focused on—they took a real beating over the last fifteen years in America, particularly during the recession. So we're focusing on the building blocks like you: a health care system that's universal and it's affordable; a safe and responsible—universal education that's quality and affordable where everyone has access to go as far as their intellectually capable of going, not just based on what neighborhood they grew up on.

We want responsible exploration of significant new energy supplies, including the United States we now have—just as a matter of good fortune, 100 years of reserve of natural gas. We're figuring out how to tap it and tap it in an environmentally safe way.

And an infrastructure that's the most modern in the world—both of us have to compete. Go around the world, as many of you have. I've traveled over 750,000 miles just in the last four years. If I took some folks from Mexico City or New York City and I dropped them in the Port of Hong Kong and they took a look at it, say, where is this? They'd assume it's in the United States—Americans would. It's not. Take them to an airport in Beijing. They'd assume it's in the United States, the Americans. But it's not. We need a twenty-first century infrastructure, particularly along our border—particularly along our border.

And a finance system that is flourishing but also is accountable. We both know reform is hard. Believe me we know reform is hard. We have entrenched interests—and they're not bad folks. They're good folks. But there are always winners and losers when the rules of the road change. Even when those rules better the interest of the country, you're changing the rules. And it's hard. But as difficult as it's been, some of the changes the President and I have been able to make are beginning to bear fruit. We have much more to do, but they've helped our businesses create 7.5 million new jobs in the past four years.

Mexico too has embraced historic changes. You're reforming your telecommunications, education, and even your energy sector. These deci-

sions belong—and I want to make it clear to the press—these decisions belong exclusively and only to the people of Mexico, not the people of the United States. But we wish you well in those reforms. Because as an outsider looking in, they're all needed. They're all needed in order to equip you, and in turn, selfishly benefit us as you move down to establish a new role in the twenty-first century. Because as you choose, we stand ready to help you realize those benefits in any way we can.

With regard to immigration, let me make two things absolutely clear. It is not only from the perspective of the President, myself and the American people a matter of justice, respect, and according dignity to all people to bring eleven million undocumented men, women, and children out of the shadows, but it's also overwhelmingly in the self-interest, the economic self-interest of the United States.

The Congressional Budget Office, which is sort of our gold standard that is truly nonpartisan, in a study released in June, estimates that comprehensive immigration reform will grow the U.S. economy by \$1.4 trillion by the year 2033. It will facilitate travel in business and workers, and it will bring economic security to families with members on both side of the border regardless of which side they call home.

The third thing I'd like to point out is our two economies should look outward together. The United States, Canada, and Mexico have created a trillion-dollar trade relationship. Imagine what we can accomplish if we extend that economic cooperation, as I said, south. And that's why Mexico, through your leadership, the Alliance of the Pacific, is integrating stock markets and customs unions with Peru, Chile, and Colombia.

Mexico is also investing in Central America, and we want to be partners with you in that to the extent you want us. We're already working together to connect North America and some of the southern neighbors with economies in Asia through the Trans-Pacific Partnership. I just got back from visiting the Pacific Rim. They understand. They understand that there's nothing local anymore.

That's why when I meet with your President, that's why when I meet with the President of Colombia, the President of Chile they all understand the future is there. There.

When this is finished—and we believe it will be—40 percent of the entire global economy will be signed on to a single, new gold standard for twenty-first century trade agreements.

And finally, both our countries have suffered greatly from natural disasters. Our prayers are with the victims of the devastating floods and storms that ravage your country right now. And we stand ready. It's your decision. We stand ready to help in any way we can. As a matter of fact, I'm leaving from here and I'm going to Colorado, an area the size of the state of Connecticut has been devastated in the state of Colorado. The estimates are well over \$1.2 billion in damage thus far. There are hundreds of people still missing and many have died.



So we understand. We understand, but that doesn't mean we still can't help, if you want us too. That doesn't mean we still can't help. We contributed a quarter million dollars to the Red Cross effort down here, but that's a decision for you to make if you—whatever else we can do, because it's a common concern. In a sense, we are a single people.

What benefits Mexico and the people of Mexico ultimately has a resounding benefit in the United States. And so we want to be part of a partnership where you grow, where you prosper and when you seek your place in the international community as one of the most vibrant economies in the world.

The work of updating that partnership like ours is not easy. We're going to need the help of all you businessmen and women in this room of civil society and citizens on both sides to make it happen, in addition to our governments, in addition to our governments.

There's an old—and I'll conclude—there's an old story about a group of activists who made their case for some reform to Franklin—President Franklin Delano Roosevelt. And he told them, and I quote, "You have convinced me, now make me do it."

So I say to those of you here from outside of government, we have been convinced of your message, now make us do it. Make us do it. Hard-working people in both our countries are building our economic partnerships from the ground up every single solitary day. And our job is to take the difficult steps that make their job easier, just a little bit easier. I know we can, and I'm absolutely confident we will.

So let me close by saying, once again, it's great to be here in Mexico, this time talking about the entirety of our relationship and the awesome potential and promise it has if we have the courage, the political courage to take what in retrospect will look like easy, but presently look like some very difficult steps to break down barriers and to set a new set of rules of the road.

So thank you all. May God bless you and may God protect all those people who are still being ravaged and left out in the cold because of the storm. Thank you all very much. I look forward to seeing you again.

# **Cultural Perspective**

